

Post-Conviction Defender Commission

**For the Years Ended
June 30, 1999, and June 30, 1998**

Arthur A. Hayes, Jr., CPA, JD, CFE
Director

Charles K. Bridges, CPA
Assistant Director

Kandi Thomas, CPA
Audit Manager

Dean Smithwick
In-Charge Auditor

Temecha Jones
Tuan Le
Staff Auditors

Amy Brack
Editor



STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY

State Capitol
Nashville, Tennessee 37243-0260
(615) 741-2501

John G. Morgan
Comptroller

May 25, 2000

The Honorable Don Sundquist, Governor
and
Members of the General Assembly
State Capitol
Nashville, Tennessee 37243
and
The Honorable Richard McGee, Chair
Post-Conviction Defenders Commission
601 Woodland Street
Nashville, Tennessee 37206
and
Mr. Don Dawson
Post-Conviction Defender
460 James Robertson Parkway
Nashville, Tennessee 37243

Ladies and Gentlemen:

We have conducted a financial and compliance audit of selected programs and activities of the Post-Conviction Defender Commission for the years ended June 30, 1999, and June 30, 1998.

We conducted our audit in accordance with generally accepted government auditing standards. These standards require that we obtain an understanding of management controls relevant to the audit and that we design the audit to provide reasonable assurance of the Post-Conviction Defender Commission's compliance with the provisions of policies, procedures, laws, and regulations significant to the audit. Management of the commission is responsible for establishing and maintaining internal control and for complying with applicable laws and regulations.

Our audit resulted in no audit findings. We have reported other less significant matters involving the commission's internal controls and/or instances of noncompliance to the Post-Conviction Defender Commission's management in a separate letter.

Sincerely,

John G. Morgan
Comptroller of the Treasury

JGM/cj
00/051

State of Tennessee

Audit Highlights

Comptroller of the Treasury

Division of State Audit

Financial and Compliance Audit

Post-Conviction Defender Commission

For the Years Ended June 30, 1999, and June 30, 1998

AUDIT SCOPE

We have audited the Post-Conviction Defender Commission for the period July 1, 1997, through June 30, 1999. Our audit scope included a review of management's controls and compliance with policies, procedures, laws, and regulations in the areas of revenue, expenditures, equipment, and payroll and personnel. The audit was conducted in accordance with generally accepted government auditing standards.

AUDIT FINDINGS

The audit report contains no findings.

"Audit Highlights" is a summary of the audit report. To obtain the complete audit report which contains all findings, recommendations, and management comments, please contact

Comptroller of the Treasury, Division of State Audit
1500 James K. Polk Building, Nashville, TN 37243-0264
(615) 741-3697

Audit Report
Post-Conviction Defender Commission
For the Years Ended June 30, 1999, and June 30, 1998

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTION	1
Post-Audit Authority	1
Background	1
AUDIT SCOPE	1
OBJECTIVES, METHODOLOGIES, AND CONCLUSIONS	2
Revenue	2
Expenditures	2
Equipment	3
Payroll and Personnel	4

Post-Conviction Defender Commission For the Years Ended June 30, 1999, and June 30, 1998

INTRODUCTION

POST-AUDIT AUTHORITY

This is the report on the financial and compliance audit of the Post-Conviction Defender Commission. The audit was conducted pursuant to Section 4-3-304, *Tennessee Code Annotated*, which authorizes the Department of Audit to “perform currently a post-audit of all accounts and other financial records of the state government, and of any department, institution, office, or agency thereof in accordance with generally accepted auditing standards and in accordance with such procedures as may be established by the comptroller.”

Section 8-4-109, *Tennessee Code Annotated*, authorizes the Comptroller of the Treasury to audit any books and records of any governmental entity that handles public funds when the Comptroller considers an audit to be necessary or appropriate.

BACKGROUND

The Post-Conviction Defender Commission is an independent agency. It is the mission of the Post-Conviction Defender Commission to ensure that a qualified attorney is appointed to the position of Post-Conviction Defender. The office of the Post-Conviction Defender was created “to provide for the representation of any person convicted and sentenced to death who is unable to secure counsel due to indigence, and that legal proceedings to challenge such conviction and sentence may be commenced in a timely manner and so as to assure the people of this state that the judgments of its courts may be regarded with the finality to which they are entitled in the interest of justice.” The Post-Conviction Defender is to provide the highest possible caliber of legal representation to indigent death sentenced inmates in Tennessee to ensure that Tennessee’s death penalty is never carried out in an arbitrary manner, against an indigent defendant who was not guilty of the offense for which he or she had been convicted.

The Post-Conviction Defender Commission’s allotment code is 308.01.

AUDIT SCOPE

We have audited the Post-Conviction Defender Commission for the period July 1, 1997, through June 30, 1999. Our audit scope included a review of management’s controls and

compliance with policies, procedures, laws, and regulations in the areas of revenue, expenditures, equipment, and payroll and personnel. The audit was conducted in accordance with generally accepted government auditing standards.

OBJECTIVES, METHODOLOGIES, AND CONCLUSIONS

REVENUE

The objectives of our review of the revenue controls and procedures for the Post-Conviction Defender Commission were to

- gain an understanding of the commission's controls over revenue;
- determine whether revenue transactions were properly recorded and appeared valid;
- determine if revenue received during the audit period was deposited timely and accounted for in the appropriate fiscal year; and
- determine if petty cash or change funds were authorized by the Department of Finance and Administration.

We reviewed the applicable laws and regulations, interviewed key personnel, and reviewed supporting documentation to gain an understanding of the commission's procedures and controls over revenue. Analytical procedures were performed on the revenue transactions to determine any significant variances. Explanations from appropriate personnel for all significant variances were obtained and supporting documentation was reviewed to corroborate management's explanations. All revenue transactions, excluding FICA credits, were tested for proper coding and recording, timely deposit, and adequate support. We reviewed the Department of Finance and Administration's authorized petty cash list for appropriate authorization of the commission's petty cash.

Based on the interviews, reviews, and testwork, the commission's controls over revenue appeared adequate; revenue transactions were recorded properly, deposited timely, and accounted for appropriately; and the petty cash fund was appropriately authorized.

EXPENDITURES

The objectives of our review of expenditure controls and procedures in the Post-Conviction Defender Commission were to

- gain an understanding of the commission's internal controls over expenditures;

- determine if expenditure transactions were properly recorded and appear valid;
- determine if recorded expenditures were for goods or services that were authorized and received;
- determine if payments were made in a timely manner;
- determine if payments for travel were paid in accordance with the Comprehensive Travel Regulations;
- determine if contracts were established in accordance with regulations; and
- determine if contract payments complied with contract terms.

Key personnel were interviewed, and the applicable laws, regulations, and supporting documentation were reviewed to gain an understanding of the commission's procedures and controls over expenditures. Analytical procedures were performed on the expenditure transactions to determine any significant variances. Explanations for all significant variances were obtained from appropriate personnel, and supporting documentation was reviewed to corroborate management's explanations. All expenditure transactions were reviewed for items that appeared unusual (inappropriate vendor names, improper object code, or excessive amounts) for each object code. These unusual items were tested for proper recording and approval, adequate support, and timely payments. Also, unusual travel items were tested for compliance with Comprehensive Travel Regulations and to determine if these items agreed to supporting documentation. The auditor reviewed all contracts and supporting documentation to determine if contracts were established in accordance with regulations and that payments complied with contract terms.

Based on the interviews of appropriate personnel, review of supporting documentation, and testwork, the commission's control over expenditure transactions appeared adequate. The transactions were for goods authorized and received. The expenditure transactions were properly recorded and payments were made timely, the travel expenditures were in compliance with Comprehensive Travel Regulations, the contracts were established in accordance with regulations, and contract payments were in compliance with contract terms.

EQUIPMENT

The objectives of our review of the equipment controls and procedures in the Post-Conviction Defender Commission were to

- gain an understanding of the commission's internal controls over equipment;
- determine if equipment purchases recorded on the State of Tennessee Accounting and Reporting System (STARS) for the audit period were on the commission's equipment listing;

- determine if the information on the Property of the State of Tennessee (POST) listing was properly recorded; and
- determine if equipment was adequately safeguarded.

We reviewed the applicable laws and regulations, interviewed key personnel, and reviewed supporting documentation to gain an understanding of the commission's procedures and controls over equipment. The commission's equipment list was compared to STARS for completeness. Also, the commission's equipment listing and the listing on POST were compared to determine if information was properly recorded. Equipment items were selected from the commission's equipment listing and were observed to determine if the description, tag number, and location were appropriate and that the item existed. Also, equipment items nonstatistically selected in the commission's office were agreed to the commission's equipment listing to determine if the items were appropriately identified on the list.

Based on the reviews, interviews, and testwork, the controls over equipment appeared adequate. The commission's equipment listing was complete, information was properly recorded on POST, and the equipment items were adequately safeguarded.

PAYROLL AND PERSONNEL

The objectives of our review of the payroll and personnel controls and procedures in the Post-Conviction Defender Commission were to

- gain an understanding of the commission's internal controls over payroll and personnel;
- determine if payroll (wages, salaries, and benefits) disbursements were made only for work authorized and performed;
- determine if payroll was computed using rates and other factors in accordance with contracts and relevant laws and regulations; and
- determine if newly hired employees were qualified for their positions.

We reviewed the applicable laws and regulations, interviewed key personnel, and reviewed supporting documentation to gain an understanding of the commission's procedures and controls over payroll and personnel. Payroll transactions were nonstatistically selected and verified using documentation in employees' payroll and employment files. Newly hired employees' files were reviewed and procedures were discussed with appropriate personnel to determine that the newly hired employees met the job qualifications.

Based on our interviews, reviews, and testwork, the commission's controls over payroll and personnel appeared adequate, the payroll disbursements were made only for work authorized and performed, payroll was computed using rates in accordance with contracts and relevant laws and regulations, and newly hired employees were qualified for their positions.